

1 did mention a pleading filed by Mr. Thompson which we
2 don't --

3 JUDGE STEINBERG: There were some interrogatories
4 and request for production documents --

5 MR. KRAMER: Oh.

6 JUDGE STEINBERG: -- against Verizon.

7 MS. MEHTA: Judge Steinberg, we have not received
8 those interrogatories.

9 JUDGE STEINBERG: Okay. We'll take care of that
10 later. I didn't receive them and then I picked it up in the
11 electronic filing system and then I called Mr. Thompson and
12 asked him if he could send me copies.

13 Mr. Goodman -- I also called -- let's see, I
14 called Mr. Goodman, I called Mr. Bruggeman and I called Ms.
15 Brown to try to figure -- when I got the -- when I looked at
16 Appendix A to the HDO I was trying to figure out who's who
17 and there were a number of parties there that I couldn't
18 associate with notices of appearance.

19 So I called those three individuals and they
20 straightened me out as to who is now Bell South and who is
21 now SBC. There was a list of Verizon companies but I
22 won't -- that Mr. Goodman attached to his notice of
23 appearance but I could guess which one was which but I
24 didn't know. Mr. Goodman had also told me on the phone that
25 he had gotten these interrogatories.

1 I also told Mr. Goodman and I told Ms. Thompson
2 that I didn't -- that I would basically -- that he didn't
3 have to respond to them until -- the first day for his
4 response would run from today because I wanted to talk about
5 discovery generally. Mr. Thompson, I think I told you that
6 and you didn't have any problem with that.

7 MR. THOMPSON: That's correct, Your Honor.

8 JUDGE STEINBERG: Okay. So now -- well, I guess
9 we'll talk about discovery and then we can go to Mr.
10 Kramer's letter.

11 We've got two pending discovery requests, the
12 first one is Kayson Communications, Inc's. initial
13 interrogatories and request for production of documents to
14 Verizon filed on May 11th and a similar pleading -- a
15 similar title filed by Best Payphones also on May 11th and
16 these were filed against Verizon.

17 As I said, I'm going to -- I ruled informally -- I
18 don't know if it was a ruling -- it was basically you don't
19 have to -- you don't have to -- don't worry about it until
20 today. So the time starts running from today and I think
21 it's 14 straight days.

22 What types of discovery does everybody contemplate
23 so I can get a handle on what to expect? Let me just go
24 around the room. Mr. Kingsley?

25 MR. KINGSLEY: Well, I might take this opportunity

1 to say that during the process of finalizing the settlement
2 with Ascom Holdings, Inc.

3 JUDGE STEINBERG: Okay.

4 MR. KINGSLEY: So we anticipate actually probably
5 filing to the appropriate place a joint motion to dismiss in
6 the near future, probably within the next two weeks I would
7 think.

8 JUDGE STEINBERG: Okay. Well, that --

9 MR. KINGSLEY: I don't anticipate, but --

10 JUDGE STEINBERG: Okay. So you're going to -- so
11 you're just going to reserve on that?

12 MR. KINGSLEY: Right.

13 JUDGE STEINBERG: Okay. Mr. Thompson? And you're
14 just interested in Verizon?

15 MR. THOMPSON: Yes.

16 JUDGE STEINBERG: And you've got out on the table
17 what you intend to have out on the table right now?

18 MR. THOMPSON: As of right now. I think I may
19 want to have a few more interrogatories. It won't be
20 extensive.

21 JUDGE STEINBERG: Okay.

22 MR. THOMPSON: It's, of course, depending on what
23 I see the first time around.

24 JUDGE STEINBERG: You might see some objections.

25 MR. THOMPSON: Well, that, too, right.

1 JUDGE STEINBERG: Mr. Bruggeman?

2 MR. BRUGGEMAN: Your Honor, we had some document
3 exchange I guess about a year ago but to this point we still
4 have never received a statement of their damages claim in
5 the time period that's covered and there had been an
6 exchange back and forth where, you know, there was a
7 transfer to New York Telephone and we thought the claim was
8 probably extinguished in '93.

9 Before we did discovery it would be very helpful
10 for us to know the time period that the Complainant is
11 seeking damages and --

12 JUDGE STEINBERG: Well, you know what?

13 MR. BRUGGEMAN: -- the parameters of what we're --

14 JUDGE STEINBERG: You know what? That might be a
15 good area for you to engage in discovery on.

16 MR. BRUGGEMAN: Mm-hmm.

17 JUDGE STEINBERG: How about that? Because I think
18 you will find it out definitively when the exhibits are
19 exchanged.

20 MR. BRUGGEMAN: Right.

21 JUDGE STEINBERG: So you might want to engage in
22 some discovery to find that out.

23 MR. BRUGGEMAN: Mm-hmm.

24 JUDGE STEINBERG: And whether it's interrogatories
25 or depositions or whatever, it's up to you.

1 MR. BRUGGEMAN: Okay. Well, you know, it's
2 obviously difficult to go back and find billing records from
3 such a long time ago. We can file a broader interrogatory
4 response from 1985 to 1997.

5 JUDGE STEINBERG: Well --

6 MR. BRUGGEMAN: You know, we're just hoping that
7 there might be a way to limit if we knew what the claim was
8 based on.

9 JUDGE STEINBERG: Well, you can ask them.

10 MR. BRUGGEMAN: Yeah.

11 JUDGE STEINBERG: There's also -- well, that gets
12 back to the role -- is this the relating backstop where you
13 file an informal complaint then you file a formal complaint
14 and if the formal complaint mentions the informal complaint
15 then you can -- then you can relate back two years from the
16 filing of the informal complaint and that's when the damages
17 period starts or something? Did I get that right, sort of?

18 MR. BRUGGEMAN: Yeah. This does not involve the
19 same issue as a lot of the informal complaints filed in '97,
20 but there may have been an informal complaint that was filed
21 by Millicom back in 1989 or 1990.

22 JUDGE STEINBERG: Well, you might want to ask
23 them.

24 MR. BRUGGEMAN: And there -- I think there may be
25 a timing issue whether they perfected that informal

1 complaint.

2 JUDGE STEINBERG: Well, you might want to --

3 MR. BRUGGEMAN: And cut off --

4 JUDGE STEINBERG: -- you know, that might be a
5 good thing to ask, too.

6 MR. BRUGGEMAN: So I think, you know, we're -- and
7 another issue that we plan on asking for are payment records
8 because we -- from some sampling billing records it appears
9 that there was nonpayment of much of their bills during that
10 time period.

11 JUDGE STEINBERG: Okay. Well, these might be good
12 things --

13 MR. BRUGGEMAN: Right.

14 JUDGE STEINBERG: -- for you to do during
15 discovery.

16 MR. BRUGGEMAN: And I think we would want to
17 reserve the right for depositions and, you know --

18 JUDGE STEINBERG: Well --

19 MR. BRUGGEMAN: -- it's a little premature to know
20 at this point.

21 JUDGE STEINBERG: Well, how about Mr. Kramer? Oh,
22 Mr. Caldwell, did I skip you?

23 MR. CALDWELL: Oh, that's fine.

24 MR. BRUGGEMAN: That is our client here.

25 JUDGE STEINBERG: Oh, okay. You're the actual

1 client and you came to this?

2 (Laughter.)

3 Well, I'm honored. I don't ever see clients.

4 (Laughter.)

5 The lawyers try to keep them away from Judges.

6 (Laughter.)

7 How about Mr. Kramer?

8 MR. KRAMER: Your Honor, in part it will depend on
9 some of the issues we raised in our letter and your rulings
10 on those issues. But we would expect that we would have
11 some interrogatories. We will also be probably requesting
12 some billing records of our own from the telephone companies
13 as well as other records regarding the pay phones that were
14 in service for a number of the Complainants.

15 JUDGE STEINBERG: Okay.

16 Mr. Felgar? Mr. Jackson?

17 MR. JACKSON: Your Honor, we anticipate filing
18 some interrogatories, not an extensive array, probably no
19 more than 10.

20 JUDGE STEINBERG: Okay.

21 MR. JACKSON: And we may be requesting some
22 documents. I will not rule out the possibility of
23 depositions but that will depend upon a review of the
24 responses to the interrogatories and any documents.

25 JUDGE STEINBERG: Okay. Mr. Everette? Is Mr.

1 Everette with you?

2 MR. JACKSON: Yes. He's with me.

3 JUDGE STEINBERG: Okay.

4 Ms. Ingram and Mr. Goodman?

5 MR. GOODMAN: Yes. Of course, we would expect to
6 frame our discovery based upon what is contained in any of
7 the supplemental complaints that are filed.

8 JUDGE STEINBERG: Okay. We may not have any
9 supplemental complaints.

10 MR. GOODMAN: Oh.

11 JUDGE STEINBERG: We're going to get to that
12 later.

13 MR. JACKSON: Oh. Reserving our thoughts on that
14 until later then. We would -- we want interrogatories and
15 document requests to show what pay phones each Complainant
16 had, to show I mean whether each pay phone was a public or a
17 semipublic pay phone, you know, and a demonstration of the
18 Complainants that they paid their bills for the EUCL
19 charges.

20 JUDGE STEINBERG: Okay. And is the Bureau going
21 to go into any discovery?

22 MS. MAHTA: The Bureau at this time does not
23 anticipate discovery because we do ask that the parties
24 serve the Bureau with any --

25 JUDGE STEINBERG: Yeah.

1 MS. MEHTA: -- discovery requests.

2 JUDGE STEINBERG: Basically, any discovery
3 requests should be served on all parties and I want a copy
4 of it.

5 The request for production of documents aren't
6 filed formally with the secretary's office I don't think.
7 I'm -- they're served like if Mr. Kramer wants documents
8 from Verizon he just sends Verizon a request for production
9 of documents and goes directly to Mr. Goodman or Ms. Ingram.
10 Please send me a copy.

11 Send me a copy of anything having to do with
12 discovery because I skim them and I like to follow what's
13 going on and, you know, occasionally they provide humorous
14 moments.

15 (Laughter.)

16 MR. KRAMER: And, Your Honor, you did say you want
17 us to serve all parties even though discovery is directed to
18 a particular party?

19 JUDGE STEINBERG: Correct. Does anybody have any
20 problem with that? I think that would be -- since this is a
21 consolidated proceeding and everybody is a party then
22 everybody should get a copy of everything that's filed or if
23 you want to write a letter to Mr. Goodman you've got to --
24 you should -- well, not to Mr. Goodman, that's between you
25 and Mr. Goodman, but if you want to send a letter to me it's

1 got to be served on everybody.

2 MS. INGRAM: What about like interrogatories and
3 document requests that only go to Verizon on one case?
4 Would SBC want that? I mean would we --

5 JUDGE STEINBERG: Well, you'd have to -- does
6 any -- okay. Why don't I make -- take a poll? Does
7 everybody want copies of everything or do you just want
8 stuff relating to you?

9 MS. INGRAM: I don't think we would want copies of
10 discovery served on SBC for a complaint for them but --

11 JUDGE STEINBERG: Okay.

12 MR. THOMPSON: I guess I would want the discovery
13 that goes to Verizon that affect my cases. Otherwise, I
14 wouldn't want the rest of it.

15 MR. KRAMER: What? I'm sorry. I couldn't hear
16 what you said.

17 JUDGE STEINBERG: Okay. Mr. Thompson said that he
18 would want copies of anything that goes to Verizon. It's
19 basically because he wants to see what somebody else thought
20 of that he didn't so that he can supplement his
21 interrogatories and go to second and third set, et cetera.

22 MR. KRAMER: Mm-hmm.

23 JUDGE STEINBERG: I think that's a very good --
24 there's nothing wrong with that. I mean plagiarism is a
25 very high form of flattery.

1 (Laughter.)

2 So why don't, you know, everybody serve everybody
3 with everything?

4 MR. GOODMAN: All right. And, Your Honor --

5 JUDGE STEINBERG: That way you won't -- there
6 won't be a problem that way. There will only be a problem
7 the other way. So I've made a command decision.

8 MR. GOODMAN: Does that include responses?

9 JUDGE STEINBERG: Responses. But if there's
10 document production, not the documents.

11 MR. GOODMAN: Okay.

12 JUDGE STEINBERG: Because that will -- that gets
13 ridiculous.

14 MR. GOODMAN: Right. Thank you.

15 JUDGE STEINBERG: So if there's an answer to an
16 interrogatory you serve the answers on everybody. If there
17 are objections you serve the objections, but not the actual
18 documents.

19 When you exchange documents I don't want any
20 documents. I don't want any of the actual documents because
21 this building doesn't have enough storage facility for the
22 documents that this case is going to produce or could
23 produce. But I would like a copy if it's a transmittal
24 letter or a transmittal pleading, but I don't want the
25 documents, please.

1 MR. GOODMAN: Your Honor, just to be clear about
2 one thing, I would guess that a number of the
3 interrogatories from the Complainants to us are going to ask
4 for billing information and payment history about specific
5 customers of ours and that is normally not the kind of
6 information that we give to the world because it is -- I
7 mean under law it is not, you know, anything that we are
8 permitted to give to the world.

9 If that is the process, the procedure that you
10 want, that's fine but I just wanted to bring up the issue
11 that there is a kind of a privacy concern about disclosing
12 customer --

13 JUDGE STEINBERG: Well, what you can do is you can
14 -- we can work out an arrangement with the individual --
15 with the party that asks for the information and you can use
16 number one, this is the information -- number one is this
17 and number two is that, A, B, C, D, John Doe or whatever --

18 MR. GOODMAN: That's right.

19 JUDGE STEINBERG: And you keep the keys to
20 yourself. I don't need the keys. Does anybody have any
21 problem with that? That way there's -- confidentiality
22 isn't breached and probably no trade information can leak
23 out so nobody can steal, you know, your clients from 15
24 years ago. Any problem with that?

25 (No response.)

1 That's something -- that's something you can
2 easily work out and if you need this -- if you do need a
3 protective order then -- then like if you can't agree then
4 you'd have to come to me and I'll make provision for
5 confidentiality but I can see that this -- everybody here is
6 a businessperson and I'm sure everybody has the same
7 interest in keeping their -- keeping this type of
8 information private.

9 Ms. Mehta?

10 MS. MEHTA: Yes, Judge. Your Honor, while the
11 Bureau doesn't actually want to see the documents provided
12 we would ask that the parties provide us with an inventory
13 of the documents provided in response to discovery requests.

14 JUDGE STEINBERG: You mean just like an index?

15 MS. MEHTA: Yes.

16 JUDGE STEINBERG: Okay. I suppose there would be
17 an index, anyway, and -- I mean if -- yeah, okay. That's --
18 that's reasonable. You could send the index to me, too,
19 that way I kind of have an idea.

20 Now there's a general statement that I always make
21 with respect to discovery and that is that it's a very self-
22 serving statement and that is that I don't really want to be
23 bothered with discovery stuff. So I want -- if a dispute
24 arises I want you to make a good faith attempt to try to
25 resolve the dispute among yourselves or between yourselves,

1 not just a token effort but a real effort.

2 Don't ask me for any kind of discovery ruling
3 before you genuinely attempt to reach agreement yourselves.
4 If you absolutely can't reach an agreement then you file
5 something with me and I'll settle the matter probably to the
6 dislike of both of you. It's much better to reach a
7 compromise than to risk whatever it is your risking.

8 In that vain, if you file a pleading with me with
9 respect to discovery in order to contain a certification
10 that you attempted to work out your differences but just
11 absolutely couldn't do it. I think the Federal Rules
12 contain a -- the FCC's rules, the hearing rules, don't
13 contain that requirement but I like to have it because it
14 gives people maybe second thoughts about coming to me
15 initially. While we're on this area, in this area, there's
16 something called supplemental complaints and what? Answers?

17 MS. MEHTA: Mm-hmm.

18 JUDGE STEINBERG: And I read -- it's 1.722(c) is
19 that it? Is that the right rule? I read that through
20 yesterday. I mean I'm not -- I'm the first to admit, I'm
21 not familiar with that portion of the rules that's got to do
22 with formal and informal complaints and supplemental
23 complaints and accelerated documents and stuff like that but
24 what I want -- what I'd like to know is what useful purpose,
25 if any, would be served by filing supplemental complaints

1 now?

2 I mean this is the hearing that some people wanted
3 and some people didn't want and now is the time for
4 everybody to discover what everybody else has and kind of
5 prove your case or not prove your case and how will
6 supplemental complaints advance that or not advance it? I
7 mean I just -- I don't -- again I can guess but I don't
8 know. Now does anybody want to address that? Okay, Mr.
9 Jackson?

10 MR. JACKSON: Your Honor, it would be advantageous
11 because I think it could facilitate settlement discussions
12 if the Complainants were to tell each Defendant exactly what
13 the dollar amount is that they're asking for.

14 JUDGE STEINBERG: That gets us back to last August
15 3rd I think, doesn't it?

16 MR. JACKSON: Well, it may.

17 JUDGE STEINBERG: August 2000?

18 MR. JACKSON: It may. But to date I, for example,
19 have never seen any on behalf of SPRINT any calculation of
20 the actual dollar amount of damages that --

21 JUDGE STEINBERG: The time period. Mr. Bruggeman
22 mentioned time period, too.

23 MR. JACKSON: Mm-hmm.

24 JUDGE STEINBERG: Do you have problems -- do you
25 have a problem with time periods?

1 MR. BRUGGEMAN: Your Honor, I think in our
2 specific case that's a very big issue. You could possibly
3 be extending it over 15 years versus just limiting it to
4 three years which would obviously --

5 JUDGE STEINBERG: Why don't you just make it nine
6 years and split the difference?

7 MR. BRUGGEMAN: Mm-hmm.

8 (Laughter.)

9 JUDGE STEINBERG: I mean that's slightly humorous
10 but --

11 MR. JACKSON: Right now we're having to guess what
12 the potential scope of the complaint would be.

13 JUDGE STEINBERG: Yeah.

14 MR. JACKSON: Whereas, if we knew -- and also I
15 think if we knew what the pay phone -- how many pay phones
16 are they seeking damages on. If that matches up with our
17 records we know we have a non -- you know, we have general
18 agreement there and it's --

19 JUDGE STEINBERG: Well, let me ask a basic
20 question. Is the EUCL fee -- is it like something as simple
21 as \$6 a phone a month? In other words, it didn't vary from
22 month to month?

23 MR. JACKSON: It varied from -- yes, from year to
24 year but it was, you know --

25 JUDGE STEINBERG: Some years it was \$6 --

1 MR. JACKSON: -- \$5 for --

2 JUDGE STEINBERG: -- and some years it was --

3 MR. JACKSON: Yes.

4 JUDGE STEINBERG: -- \$5.27.

5 MR. JACKSON: Right. It was a flat --

6 JUDGE STEINBERG: So that it's a matter of --

7 MR. JACKSON: -- fee.

8 JUDGE STEINBERG: so the case is a matter of
9 showing how many -- how many public phones did you have
10 multiplied -- during what period of time and multiply that
11 by the rate and that way you get the universe of dollars and
12 then prove you paid it?

13 MR. JACKSON: Correct.

14 JUDGE STEINBERG: And then you get it back with
15 interest?

16 MR. JACKSON: Correct.

17 JUDGE STEINBERG: Can I ask -- this is a basic
18 question, too. If supplemental complaints and answers are
19 filed and they actually contain the numbers that the
20 Defendants are looking for in the time period that the
21 Defendants looking for, are the Complainants bound by those
22 numbers? Can they file a supplemental complaint that says,
23 we want \$10,000, and then you come to the hearing and the
24 exhibits say, we want \$15,000?

25 MR. JACKSON: I guess I would say, Your Honor, if

1 the Complainant files a complaint that says, \$10,000, and a
2 Defendant looks at its records and files its answer and
3 admits that that is the right number then I don't think
4 there would be any need to do discovery because there is no
5 issue.

6 JUDGE STEINBERG: Well, what if the Defendant
7 looks at its records and says, gee, you know, it's really
8 \$12,000? Are you going to tell him it's \$12,000?

9 MR. JACKSON: I would -- I guess it depends upon
10 what the pleading was but, you know, if the Complainant says
11 his records show 10,000 --

12 JUDGE STEINBERG: And you --

13 MR. JACKSON: -- and it depends on how much detail
14 is in the complaint. My records aren't going to show also
15 whether their pay phones -- they have, you know, a
16 Complainant might have 10,000 phones. I don't know how many
17 of those phones are public as opposed to semipublic.

18 If the Complainant says that, you know, 8,000
19 phones are public and the damages are X dollars and I can
20 admit that in the answer and there's no issue to be tried.

21 JUDGE STEINBERG: Okay. Let me ask Mr. Kramer
22 to -- I mean if you file a supplemental complaint --

23 MR. KRAMER: Your Honor --

24 JUDGE STEINBERG: -- are you Complainants bound by
25 those numbers?

1 MR. KRAMER: Your Honor, my answer is, no, we're
2 not. Then, indeed, the rules say all we have to do is
3 specify what documents we need and what documents we have
4 and --

5 JUDGE STEINBERG: Well, which rule?

6 MR. KRAMER: -- the part of -- the rules governing
7 the filing of supplemental complaints.

8 JUDGE STEINBERG: Okay.

9 MR. KRAMER: 1.720.

10 JUDGE STEINBERG: We're basically out of that
11 section, you know. If supplemental complaints are going to
12 be filed they're going to be filed because I think they'll
13 help advance the case. I don't think there's anything they
14 show that says that I have to let you file supplemental
15 complaints.

16 MR. KRAMER: Right. Your Honor, my point is this,
17 in some instances we do need access to telephone company
18 records to determine the exact amount of the damages, that's
19 the point.

20 JUDGE STEINBERG: Okay.

21 MR. KRAMER: So for you -- to just continue with
22 your hypothetical, we might say, right now we know about X
23 dollars, but we need discovery to ascertain additional
24 damages and, indeed, whether the X dollars is correct.

25 But the point is in some cases we're going to need

1 the Defendants materials in order to know exactly what the
2 damages are. So if we put a number down now we could
3 certainly discover that that number is too low.

4 JUDGE STEINBERG: Okay. Is there any -- is there
5 any -- Mr. Bruggeman?

6 MR. BRUGGEMAN: Your Honor, you know, aren't
7 supplemental complaints required? When I read the rule it
8 says in a case where recovery of damages is sought the
9 complaint shall contain a request for damages --

10 JUDGE STEINBERG: Is this --

11 MR. BRUGGEMAN: -- or appropriate --

12 JUDGE STEINBERG: -- is this 1.722?

13 MR. BRUGGEMAN: Yeah.

14 JUDGE STEINBERG: Okay. We're out of that section
15 of the rules. I mean we're doing --

16 MR. BRUGGEMAN: I understand. But what -- there
17 wasn't a filing at the FCC --

18 JUDGE STEINBERG: Right.

19 MR. BRUGGEMAN: -- before it got referred here,
20 either.

21 JUDGE STEINBERG: Right.

22 MR. THOMPSON: Well, that's not actually the case,
23 Your Honor. All the complaints do, in fact, state that they
24 request damages for the violation when it's alleged in the
25 complaints. They didn't do into detail about the amounts.

1 JUDGE STEINBERG: Is there anyone here that
2 doesn't want supplemental complaints?

3 MR. KRAMER: Your Honor, I think it's an
4 unnecessary step.

5 MR. THOMPSON: For the same reason that Mr. Kramer
6 suggested --

7 JUDGE STEINBERG: It's unnecessary?

8 MR. THOMPSON: Yes. It's not going to be
9 productive and it's really unnecessary because I'm in the
10 same situation that Mr. Kramer is, that in order to really
11 nail down what the amount is I'm going to have to see some
12 of the Defendant's records.

13 So like Mr. Kramer I'm going to have to say
14 something on the complaint if I file one that, this is how
15 much based on what our records are, this is how much we
16 think it is. We would have to see X, Y, and Z. We think we
17 have to see X, Y and records from the Defendant in order to
18 be more specific about the amount. Then we go on and do
19 discovery and then we end up in the same spot that --

20 JUDGE STEINBERG: Well, what --

21 MR. KRAMER: I agree with you, Your Honor, that
22 there's nothing that could be accomplished by filing a
23 supplemental complaint that can't be accomplished through
24 discovery and through discussions between the parties.

25 JUDGE STEINBERG: Let me ask another question and

1 I'm putting you -- I'm putting the Complainants on the spot
2 a little bit.

3 MR. KRAMER: Mm-hmm.

4 JUDGE STEINBERG: If you filed a supplemental --
5 you know, let's say a year ago you filed a supplemental
6 complaint and Mr. Goodman filed an answer and the
7 supplemental complaint says, we'll take his number, \$10,000,
8 and Mr. Goodman's answer says, we looked at our records and
9 we think it's only \$9,800 but we're willing to pay \$10,000,
10 would the case have gone away at that point?

11 MR. KRAMER: I certainly can't say what would have
12 happened a year ago.

13 JUDGE STEINBERG: No. Would it have happened
14 let's say tomorrow? You file something that says \$10,000
15 the day after Mr. Goodman files something that says, well,
16 we think it's \$9,800 but we're willing to pay you \$10,000 to
17 dismiss the complaint. Would you be inclined to do that? I
18 mean hypothetically. I mean I know we're in la-la land
19 here.

20 MR. KRAMER: Well, we are to some extent in la-la
21 land, to use your phrase, and obviously, it would depend on
22 what the clients have to say. But in principle what you're
23 saying would certainly seem to be a resolution, I mean to
24 the extent we know our damages. I think most people would
25 probably be willing to settle for what they know their

1 damages are in most cases. Now there are some cases where
2 that's not so, but it's going to vary I think by -- on a
3 case-by-case basis.

4 JUDGE STEINBERG: Okay.

5 MR. BROWN: Your Honor, may I be heard for a
6 second?

7 JUDGE STEINBERG: Okay. You have to tell me who
8 you are?

9 MR. BROWN: I'm William Brown on behalf of
10 Southwestern Bell Telephone Company. I think the --

11 THE REPORTER: He needs to get closer to the
12 microphone.

13 JUDGE STEINBERG: Yeah. Go to the --

14 MR. BROWN: I think the rule has changed
15 pertaining to supplemental complaints for damages that
16 addresses each one of the issues raised by the Complainants.
17 The idea is to get information up front in the hands of the
18 parties and it will, in fact, hopefully short-circuit a lot
19 of the discovery that has to be done.

20 In other words, here is information that the
21 Complainants already have that talk about who they are, the
22 extent of their claim, the nature of the claim and how the
23 claim is calculated, what information they have to support
24 their claim, that they can produce up front right away right
25 now, which was not done when these complaints were filed

1 back in 19-whenever.

2 The purpose -- these rules allow for Complainants
3 to say, "Oh, by the way, we don't have documents to support
4 everything and here's why we don't have those documents and
5 here's why we'll need documents from somebody else." If
6 that is done, Your Honor, I think that will, in fact, speed
7 up the process, not only this hearing and the discovery
8 associated with it but it also will help in settlement
9 negotiations if any party is interested in doing settlement
10 seriously.

11 So I think, in fact, the complaint rules ought to
12 filed. There's no basis shown that the complaint -- that
13 there's any basis for waiving the Commission's rules which
14 have been established.

15 If you look at the orders underlying the formation
16 of these new rules that's exactly why they were, in fact,
17 put in effect by the Commission so that these things would
18 move faster, so the discovery would be short-circuited, so
19 that the parties would know where they stand vis-à-vis each
20 other. And without a complaint we're only guessing now.

21 The Complainants have had since 19 whenever to get
22 their act together, to come here -- heavens! If you even go
23 back to when the circuit court made its decision and
24 remanded this thing to the Commission it's been years since
25 this has been done.

1 These Complainants have had plenty of time to get
2 their act together on discovery, to be able to present their
3 claims both to you, to the Commission and to the Defendants
4 and they ought to be held to do that. That will, in fact,
5 short-circuit a lot of what's going on here today. Without
6 them we're just guessing.

7 I think there's no basis and there's been no
8 evidence, no argument or anything that shows that these
9 rules ought to be waived or otherwise done away with.

10 MS. INGRAM: And furthermore, everything so far
11 has suggested that there would be something in the
12 complaints, the order on remand from the Commission said,
13 "We will have supplemental complaints and we will set a
14 date," the hearing designation order, too.

15 So everybody's expectation until today has been --
16 even the Complainants until today which was that there would
17 be supplemental complaints.

18 JUDGE STEINBERG: Okay. Does anybody else want to
19 be heard before I ask the Bureau what -- if they have a
20 position on this?

21 (No response.)

22 Okay. Ms. Mehta?

23 MS. MEHTA: Yes, Your Honor. Actually, we agree
24 with Complainants, it's more than likely that the
25 supplemental complaints may not provide the sort of definite